ANNUAL REPORT

OF

THE PUBLIC SCHOOLS FINANCE BOARD

Province of Manitoba

For the year ending
December 31, 1984

85-4351/

Manitoba

Education
April 12, 1985

Public Schools
Finance Board

Robert Fletcher Building
512B — 1181 Portage Avenue
Winnipeg, Manitoba, CANADA
R3G 0T3

Honourable Maureen Hemphill
Minister of Education
168 Legislative Building
Winnipeg, Manitoba
R3C 0V8

Madam:

I have the honour to submit, herewith, pursuant to section 13 of the Public Schools Finance Board Act, the Annual Report of the Public Schools Finance Board, for the year ending December 31, 1984.

The Board held 50 meetings in 1984. In addition to its main activities as outlined on the following pages, the Board has initiated, clarified and/or revised policies in a number of areas on an on-going basis.

The Board has continued the development of the 5 Year Capital Plan by identifying and priorizing facility requirements relative to educational needs and programs. Utilizing data collected from School Divisions on existing facilities and projected needs, a five year plan of major construction projects with cost estimates has been prepared along with a priorized list of projects for the coming year.

This new long range planned approach to approving the construction of new space and/or renovation of existing facilities will ensure the allocation of capital resources as equitably as possible and having regards where needs are greatest. For the foreseeable future, the major emphasis in the allocation of capital resources shall be the renovation and upgrading of older school buildings that are still structurally sound.

Guidelines for school building projects have been revised and updated to take into account changes in curriculum development (computer education, second language programs), school programs (life skills), schools with low enrollments and access for handicapped. Details on the new guidelines and Capital Support Program will be distributed to School Divisions so that they will be fully aware of provincial standards, procedures and priorities.

In arriving at decisions and formulating policy, the Board has consulted with program consultants within the Department of Education, individual School Boards and representatives from The Manitoba Association of School Trustees, The Manitoba Teacher's Society, The Manitoba Association of School Business Officials, and The Manitoba Association of School Superintendents.

Yours respectfully,

A. A. Frechette
Chairman

AAF/jds

MAJOR CAPITAL CONSTRUCTION PROJECTS
Initially Approved in 1984

School Division	Project	Estimated Education Support
Winnipeg No. 1	Principal Sparling - gym addition & renovations	$ 476,000.00
	Grosvenor - underpinning	$ 192,700.00
St. James-Assiniboia No. 2 Info Tec Project	Deer Lodge Junior High - renovations	$ 556,500.00
Assiniboine South No. 3	Beaumont - renovations	$ 165,000.00
Fort Garry No. 5	Arthur A. Leach - renovations	$ 106,000.00
River East No. 9	Sun Valley - new school	$ 2,436,025.00
	Bird's Hill - new school	$ 1,784,965.00
	Robert Andrews - addition & renovations	$ 810,000.00
Lakeshore No. 23	Fisher Branch Collegiate - renovations	$ 162,907.00
Portage la Prairie No. 24	Prince Charles - renovations	$ 307,000.00
Garden Valley No. 26	Reinfeld - addition & renovations	$ 503,104.00
Mountain No. 28	Swan Lake - addition	$ 1,685,000.00
Tiger Hills No. 29	Treherne Elementary - addition & renovations	$ 736,500.00
Dauphin-Ochre Area No. 1	MacKenzie Junior High - renovations	$ 166,540.00
Duck Mountain No. 34	Rorketon - addition & renovations	$ 560,447.00
Pelly Trail No. 37	Binscarth - addition & renovations	$ 591,310.00
	Inglis - addition & renovations	$ 293,000.00

MAJOR CAPITAL CONSTRUCTION PROJECTS
Initially Approved in 1984

School Division	Project	Estimated Education Support
Birdtail River No. 38	Birtle Elementary - new school	$ 1,436,802.00
Rolling River No. 39	Douglas - addition & renovations	$ 436,200.00
	Onanole - addition	$ 783,000.00
Brandon No. 40	Crocus Plains Regional - addition & renovations	$ 1,800,000.00
Frontier No. 48 (Federal/Provincial Cost Share)	Nelson House - new school 12.4% Provincial Share	$ 1,052,123.00
		$17,041,123.00

SUMMARY

SCHOOL DEBENTURES PURCHASED BY THE MINISTER OF FINANCE

DURING 1984

School Division	No.	Date(s)		Amount	Total
Winnipeg	1	July	3	$ 760,000.00	$ 760,000.00
St. James Assiniboia	2	August	2	160,000.00	160,000.00
Assiniboine South	3	February	15	100,000.00	100,000.00
Fort Garry	5	February	15	135,000.00	
		December	28	125,000.00	260,000.00
St. Vital	6	June	1	470,000.00	470,000.00
Norwood	8	March	30	70,000.00	70,000.00
River East	9	March	30	715,000.00	715,000.00
Seven Oaks	10	September	28	90,000.00	90,000.00
Lord Selkirk	11	February	15	145,000.00	
		October	15	225,000.00	370,000.00
Transcona-Springfield	12	March	30	110,000.00	110,000.00
Agassiz	13	November	1	625,000.00	625,000.00
Seine River	14	July	3	550,000.00	
		September	28	625,000.00	1,175,000.00
White Horse Plains	20	November	1	450,000.00	
		December	28	160,000.00	610,000.00
Lakeshore	23	February	15	155,000.00	
		October	15	190,000.00	345,000.00
Portage la Prairie	24	March	30	700,000.00	700,000.00

School Division	No.	Date(s)		Amount	Total
Garden Valley	26	March	30	$ 260,000.00	$
		October	15	750,000.00	1,010,000.00
Tiger Hills	29	December	14	130,000.00	130,000.00
Dauphin-Ochre Area	1	March	1	1,125,000.00	
		September	28	460,000.00	1,585,000.00
Antler River	43	April	30	115,000.00	115,000.00
Frontier	48	October	15	160,000.00	160,000.00
Churchill	2264	March	1	50,000.00	50,000.00
Mystery Lake	2355	March	30	860,000.00	860,000.00
	TOTAL FOR SCHOOL DIVISIONS				$10,470,000.00
South Winnipeg Vocational Education Centre					1,000,000.00
	TOTAL				$11,470,000.00

Summary				
	February	15	-	$ 535,000.00
	March	1	-	1,175,000.00
	March	30	-	2,715,000.00
	April	30	-	115,000.00
	June	1	-	470,000.00
	July	3	-	1,310,000.00
	August	2	-	160,000.00
	August	15	-	1,000,000.00
	September	28	-	1,175,000.00
	October	15	-	1,325,000.00
	November	1	-	1,075,000.00
	December	14	-	130,000.00
	December	28	-	285,000.00
				$11,470,000.00

PROVINCE OF MANITOBA
PROVINCIAL AUDITOR

THE PUBLIC SCHOOLS FINANCE BOARD

REPORT OF THE PROVINCIAL AUDITOR'S OFFICE

We have examined the financial statements, being Exhibits A, B, C and Schedules 1 and 2, of The Public Schools Finance Board for the fiscal year ended December 31, 1984. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

Amendments to legislation and regulations, effective January 1, 1984, mainly account for increased education support. The amendments provided for increases in the provision for transportation, immigrant/native pupils, print and non-print materials, extra operating and compensatory support.

In our opinion, these financial statements, together with the information provided in the preceding paragraph, present fairly the financial position of the Board as at December 31, 1984 and the results of its operations for the year then ended in accordance with the accounting policies stated in note 2 to the financial statements applied on a basis consistent with that of the preceding year.

Fred H. Jackson

Fred H. Jackson, C.A.,
Assistant Provincial Auditor.

April 12, 1985,
Winnipeg, Manitoba.

Exhibit A

THE PUBLIC SCHOOLS FINANCE BOARD

Balance Sheet
as at December 31, 1984
(with 1983 figures for comparison)

	1984	1983
ASSETS		
Cash in bank	$ 315,006	$ 3,407
Accounts receivable:		
Government of the Province of Manitoba	4,109,491	7,839,641
Municipal corporations, education support levies	72,227,698	71,259,297
Miscellaneous	85,202	59,840
Prepaid expense	2,061	398
	$ 76,739,458	$ 79,162,583
LIABILITIES		
Accounts payable and accrued charges:		
Education Support	$ 1,901,635	$ 8,049,207
Other	1,502,550	1,352,035
Notes payable on demand, at bank prime -		
Province of Manitoba	68,250,000	67,250,000
	71,654,185	76,651,242
Municipal corporations' education support levies account, Exhibit C	5,085,273	2,511,341
	$ 76,739,458	$ 79,162,583

THE PUBLIC SCHOOLS FINANCE BOARD

Statement of Revenue and Expenditure
for the year ended December 31, 1984
(with 1983 figures for comparison)

	1984	1983
Revenue:		
Government of the Province of Manitoba, share of the Education Support Program	$ 339,299,374	$ 326,508,035
Municipal corporations, education support levy	180,559,759	178,227,111
	519,859,133	504,735,146
Excess of revenue over expenditure carried forward to municipal corporations' education support levies account, Exhibit C	2,622,618	152,457
	$ 517,236,515	$ 504,582,689
Expenditure:		
Education Support Program:		
Education Support, Note 2(e), Schedule 1	$ 509,226,790	$ 496,828,677
Administrative and other expenses, Schedule 2	8,009,725	7,754,012
	$ 517,236,515	$ 504,582,689

Exhibit C

THE PUBLIC SCHOOLS FINANCE BOARD

Statement of Municipal Corporations'
Education Support Levies Account
for the year ended December 31, 1984

Balance, December 31, 1983, Exhibit A	$ 2,511,341
Add:	
Excess of revenue over expenditure for the year ended December 31, 1984, Note 2(c), Exhibit B	2,622,618
	5,133,959
Less:	
Adjustment of previous years' Education Support grants from estimated to actual, Note 2(d)	48,686
Balance, December 31, 1984, Exhibit A	$ 5,085,273

Schedule 1

THE PUBLIC SCHOOLS FINANCE BOARD

Statement of Education Support
for the year ended December 31, 1984
(with 1983 figures for comparison)

	1984	1983
Operating:		
Basic operating	$ 316,350,103	$ 316,170,856
Pupil	8,487,000	8,649,300
Transportation	25,176,362	24,536,354
Special services	34,316,170	32,041,570
Vocational industrial	4,731,850	4,634,500
Immigrant/native pupils	1,918,446	1,277,022
Print and non-print materials	7,392,540	5,566,140
Extra operating	64,790,978	60,369,250
Mill rate reduction	-	127,319
Compensatory	2,000,000	-
Capital:		
Debt servicing, Note 2(a) and Note 3	34,245,324	33,611,196
Other	5,021,008	5,284,740
Buses	3,211,254	3,040,175
Vocational equipment	1,585,755	1,520,255
Total education support program, Exhibit B	$ 509,226,790	$ 496,828,677

Schedule 2

THE PUBLIC SCHOOLS FINANCE BOARD

Statement of Administrative and Other Expenses
for the year ended December 31, 1984
(with 1983 figures for comparison)

	1984	1983
Board Members:		
Indemnities	$ 65,613	$ 59,703
Travel	7,137	5,504
Sundry	7,464	6,208
	80,214	71,415
Staff:		
Salaries	414,818	436,299
Travel	7,722	12,464
Sundry	3,574	5,656
	426,114	454,419
Office:		
Printing, stationery and supplies	23,311	25,160
Equipment, Note 2(b)	11,246	13,334
Equipment rentals	4,352	6,138
Telephone	9,722	12,501
	48,631	57,133
Professional Services:		
Audit	23,950	23,225
Other	6,315	13,618
	30,265	36,843
Interest Expense:		
Interest charges on loans for advances of support	7,424,501	7,134,202
Total administrative and other expenses, Exhibit B	$ 8,009,725	$ 7,754,012

THE PUBLIC SCHOOLS FINANCE BOARD

Notes to Financial Statements

December 31, 1984

1. Nature of the Board's Operations:

The Public Schools Finance Board was established by The Public Schools Finance Board Act in April 1967. The objectives of the Board are to facilitate the financing of the education support program for school divisions and to assist boards of school divisions in the economic operation of the school system. The Board is responsible for the administration of the support provided under the education support system.

2. Significant Accounting Policies:

a. The accounts of the Board are maintained on an accrual basis, with the exception of the debt servicing category of education support, which is expensed on a cash basis.

b. Fixed asset purchases for the Board's administrative purposes are expensed in the year of acquisition.

c. Education support requirements are determined in the first instance on the basis of financial budgets of school divisions. The amount of the funding requirements not covered by the Province is charged to the municipal corporations. The excess or deficiency of revenue over expenditure is reflected in the municipal corporations' education support levies account.

d. The education support for previous years is adjusted based on final statistical reports and audited financial statements of the school divisions. The statement of municipal corporations' education support levies account, Exhibit C, reflects the adjustment.

e. The education support for 1984 is an estimated amount based on 1984 statistical reports and financial budgets submitted by the school divisions. The support is subject to revision following receipt of the final statistical reports and audited financial statements for 1984.

3. The capital support portion of the education support program includes payments made to service the debenture debt of the school divisions during the fiscal year. The Board has not, however, assumed the legal liability related to the repayment of such long-term debt.

4. As at December 31, 1984, the Board has $1,824,370 in outstanding commitments for the purchase of school buses (1983 - $1,306,278).